GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:5014
ANSWERED ON:10.05.2007
ONGC REFINERY IN KAKINADA
Jagannath Dr. M.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Oil and Natural Gas Corporation (ONGC) has recently decided to set up on Oil Refinery at Kakinada in Andhra Pradesh;

(b) if so, the details thereof;

(c) whether ONGC Board has given its in principle approval and clearance for the project;

(d) if so, the details thereof; and

(e) the time by which the work on the said project is likely to be started?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a)&(b) : Oil and Natural Gas Corporation Limited (ONGC), through the Mangalore Refinery and Petrochemical Limited (MRPL), a subsidiary of ONGC, is examining the feasibility of setting up an export oriented refinery at Kakinada in Andhra Pradesh, subject to its being found techno- commercially viable, within the proposed Special Economic Zone (SEZ), by setting up a Joint Venture (JV).

(c) to (e) : The initial draft feasibility report has recommended that the refining capacity is desired to be enhanced from 7.5 MMTPA to 15.0 MMTPA to improve project economics. Hence it has been proposed that while carrying out detailed feasibility studies through Engineers India Limited (EIL), concurrent with the planned expansion of existing refineries in the East coast of India, i.e., Hindustan Petroleum Corporation Ltd. (HPCL)-Vishakapatanam, Chennai Petroleum Corporation Ltd. (CPCL)-Chennai and Indian Oil Corporation Ltd.`s (IOC) proposed refinery at Paradeep, MRPL in association with ONGC would take a final view in a holistic manner to decide on its investment plan for the proposed refinery.